

Preparing for Long-Term Care Guide



Understanding Long-Term Care

Long Term Care (LTC) refers to services that assist people who are aging, have disabilities, or have chronic care needs to maintain their independence in personal or health-related activities. While most people who use LTC are 65 or older, a person can use LTC services at any age and for any length of time. LTC services can be received in the home, community, or a facility (e.g., a nursing home).

Services can include assistance with:

- Giving medication
- Personal care (bathing, dressing, toileting)
- Activities inside or outside the home
- Managing money
- Shopping

Services can be provided in:

- Private home
- In the community
- Assisted living facility
- Congregate housing
- Nursing home



Planning Long-Term Care

It's important to begin planning for LTC needs before you need services. It is estimated that about 70% of individuals over age 65 will require at least one type of LTC during their lifetime. Medicare does not cover LTC, but it will cover a brief stay in a nursing home following a hospital stay. Private health insurance will cover LTC if it is a specific LTC policy.

Planning allows you to:

- Identify the types of care available in your community
- Know what your options are and their cost
- Choose the best way to finance the care you need
- Lessen the future emotional and financial stress on you and your family

The U.S. Department of Health and Human Services sponsors a [website](#) that explains the importance of planning ahead, discusses factors such as housing and legal issues to weigh when planning for LTC, and provides tools that you can use in your planning.

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Paying for Long-Term Care

The likelihood of using LTC services increases as we age or if we are disabled. Planning ahead for your own or a loved one's LTC is best, but that may not be possible for everyone. Finding a way to pay for LTC is a major concern because it can be expensive, particularly nursing home care. Many people prefer alternatives to nursing home care, such as assisted living arrangements or home health care and other community services.

There are several resources for estimating the current cost of LTC in the state where you live. The cost of care can range from \$17,000 to \$79,000 per year depending on the type of care needed and where the care is provided. It's important to plan for LTC costs.

Resources to pay for LTC include:

- Medicare *
- Medicaid *
- Veteran's Administration*
- LTC Insurance
- Personal Resources

* If you meet eligibility requirements

Medicare

View the
[Medicare web page.](#)

Veteran's Administration Long-Term Care Benefits

View the [VA web page.](#)

Medicaid

View the
[Medicaid web page.](#)

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Long-Term Care Insurance

You may own or purchase a LTC insurance policy. LTC insurance may have less costly premiums if purchased while you are younger because the cost of a policy rises with age. This does not mean purchasing a LTC insurance policy later in life will not benefit you. Purchasing a LTC insurance policy is something you may want to discuss with a financial planner.

Publications.USA.gov offers a **“Guide to Long-Term Care Insurance,”** a 21 page booklet which includes a checklist for choosing a LTC policy. Use the [link](#) to order or download the booklet.

The Maryland Insurance Administration (MIA) maintains a [list of the insurance companies](#) that are approved to sell individual LTC policies in Maryland.

The MIA also has information about the [Maryland Long-Term Care Insurance Partnership Program](#). This program is an innovative partnership between Maryland and private insurance companies who issue LTC insurance policies. A policy sold under the LTC Insurance Partnership Program, by law, must meet the same standards as a LTC policy not sold under the program. In addition, a partnership policy must meet certain specific federal and state requirements, and be certified as a “LTC partnership policy” by the Commissioner of the MIA. Use the following [link](#) to find additional information.

Personal Resources

Personal trusts, annuities and reverse mortgages are also sources of funds for LTC. You may need the assistance of a financial planner or other advisor to consider the benefits and drawbacks of these options.

The U.S. Department of Health and Human Services has additional information on options to pay for LTC on their website. Use the following [link](#) to go to the website.